

Joseph G. Pia (9945)
Nathan S. Dorius (8977)
PIA ANDERSON DORIUS REYNARD & MOSS
222 South Main Street, Suite 1800
Salt Lake City, Utah 84101
Telephone: (801) 350-9000
Facsimile: (801) 950-9010
E-mail: joe.pia@padrm.com
nathan@padrm.com

Attorneys for Plaintiff

**IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH, CENTRAL DIVISION**

INCENTIVE CAPITAL, LLC, a Utah Limited
Liability Company,

Plaintiff,

v.

CAMELOT ENTERTAINMENT GROUP,
INC., a Delaware Corporation; CAMELOT
FILM GROUP, INC., a Nevada Corporation;
CAMELOT DISTRIBUTION GROUP, INC.,
a Nevada Corporation, ROBERT P. ATWELL,
an individual; JAMIE R. THOMPSON, an
individual; STEVEN ISTOCK, an individual;
TED BAER, an individual; PETER
JAROWEY, an individual,

Defendants.

ANSWER TO COUNTERCLAIM

Civil No. 2:11-cv-00288

Judge Clark Waddoups

Counterclaim Defendant, Incentive Capital, LLC (“Incentive”) by its attorneys, answers the Counterclaims of Camelot Entertainment Group, Inc., Camelot Film Group, Inc., Camelot Distribution Group Inc., Robert P. Atwell, Jamie R. Thompson and Steve Istock (“Camelot

Defendants") as follows:

ANSWER

Answering the numbered paragraphs of the Counterclaims:

FIRST CAUSE OF ACTION

1. Crossclaim Defendant admits the allegations in paragraph 1, on the basis of information and belief.
2. Crossclaim Defendant admits the allegations in paragraph 2, on the basis of information and belief.
3. Crossclaim Defendant admits the allegations in paragraph 3, on the basis of information and belief.
4. Crossclaim Defendant admits the allegations in paragraph 4, on the basis of information and belief.
5. Crossclaim Defendant admits that Incentive Capital, LLC is a Utah Limited Liability Company, and deny the remaining allegations in paragraph 5.
6. Counterclaim Defendant is without sufficient information to form a belief as to the truth or falsity of the allegations in paragraph 6, and therefore denies the same.
7. Counterclaim Defendant is without sufficient information to form a belief as to the truth or falsity of the allegations in paragraph 7, and therefore denies the same.
8. Counterclaim Defendant denies the allegations in paragraph 19.
9. Counterclaim Defendant is without sufficient information to form a belief as to the truth or falsity of the allegations in paragraph 9, and therefore denies the same.
10. Crossclaim Defendant admits the allegations in paragraph 10, on the basis of

information and belief.

11. Counterclaim Defendant is without sufficient information to form a belief as to the truth or falsity of the allegations in paragraph 11, and therefore denies the same.

12. Counterclaim Defendant denies the allegations in paragraph 12 as to characterization.

13. Crossclaim Defendant admits the allegations in paragraph 13, on the basis of information and belief.

14. Crossclaim Defendant admits the allegations in paragraph 14, on the basis of information and belief.

15. Crossclaim Defendant admits the allegations in paragraph 15, on the basis of information and belief.

(i) Crossclaim Defendant admits the allegations in paragraph 15(i), on the basis of information and belief.

(ii) Crossclaim Defendant admits the allegations in paragraph 15(ii), on the basis of information and belief.

(iii) Crossclaim Defendant admits the allegations in paragraph 15(iii), on the basis of information and belief.

(iv) Crossclaim Defendant admits the allegations in paragraph 15(iv), on the basis of information and belief.

(v) Crossclaim Defendant admits the allegations in paragraph 15(v), on the basis of information and belief.

16. Crossclaim Defendant admits the allegations in paragraph 16, on the basis of

information and belief.

17. Counterclaim Defendant is without sufficient information to form a belief as to the truth or falsity of the allegations in paragraph 17, and therefore deny the same.

18. Crossclaim Defendant admits the allegations in paragraph 18, on the basis of information and belief.

16. [Following numbering in Crossclaim] Counterclaim Defendant is without sufficient information to form a belief as to the truth or falsity of the allegations in paragraph 16, and therefore deny the same.

17. [Following numbering in Crossclaim] Counterclaim Defendant denies the allegations in paragraph 17 as to characterization.

18. [Following numbering in Crossclaim] The Escrow Agreement speaks for itself. Crossclaim Defendant denies all remaining allegations in paragraph 18.

19. Counterclaim Defendant is without sufficient information to form a belief as to the truth or falsity of the allegations in paragraph 19, and therefore deny the same.

20. Counterclaim Defendant denies the allegations in paragraph 20.

21. Counterclaim Defendant asserts that the document speaks for itself in paragraph 21, and denies all remaining allegations.

22. Counterclaim Defendant denies the allegations in paragraph 22.

23. Crossclaim Defendant admits the allegations in paragraph 23, on the basis of information and belief.

24. Crossclaim Defendant admits the allegations in paragraph 24, on the basis of information and belief.

25. Counterclaim Defendant denies the allegations in paragraph 25.
26. Counterclaim Defendant asserts that the document speaks for itself in paragraph 26.
27. Counterclaim Defendant denies the allegations in paragraph 27.
28. Counterclaim Defendant asserts that the document speaks for itself in paragraph 28 and denies the rest.
29. Counterclaim Defendant denies the allegations in paragraph 29.
30. Counterclaim Defendant denies the allegations in paragraph 30.
31. Crossclaim Defendant admits the allegations in paragraph 31, on the basis of information and belief.
32. Counterclaim Defendant denies the allegations in paragraph 32.
33. Counterclaim Defendant denies the allegations in paragraph 33.
 - (a) Counterclaim Defendant denies the allegations in paragraph 33(a).
 - (b) Counterclaim Defendant denies the allegations in paragraph 33(b) as to form of the statement.
 - (c) Counterclaim Defendant denies the allegations in paragraph 33(c).
34. Counterclaim Defendant denies the allegations in paragraph 34.

SECOND CAUSE OF ACTION
(Declaratory Relief)
(Against all Counterclaim Defendants)

35. Counterclaim Defendant neither admits nor denies the allegations in paragraph 35.
36. Crossclaim Defendant admits the allegations in paragraph 36, on the basis of

information and belief.

a. Crossclaim Defendant admits the allegations in paragraph 36(a), on the basis of information and belief.

b. Crossclaim Defendant admits the allegations in paragraph 36(b), on the basis of information and belief.

c. Crossclaim Defendant admits the allegations in paragraph 36(c), on the basis of information and belief.

d. Crossclaim Defendant admits the allegations in paragraph 36(d), on the basis of information and belief.

THIRD CAUSE OF ACTION
(Unlawful Business Practices)
(Against all Counterclaim Defendants)

37. Counterclaim Defendant neither admits nor denies the allegations in paragraph 37.

38. Counterclaim Defendant denies the allegations in paragraph 38.

39. Counterclaim Defendant denies the allegations in paragraph 39.

40. Counterclaim Defendant denies the allegations in paragraph 40.

FOURTH CAUSE OF ACTION
(Constructive Fraud)
(Against all Counterclaim Defendants)

41. Counterclaim Defendant neither admits nor denies the allegations in paragraph 41.

42. Counterclaim Defendant denies the allegations in paragraph 42.

43. Counterclaim Defendant denies the allegations in paragraph 43.

44. Counterclaim Defendant denies the allegations in paragraph 44.
45. Counterclaim Defendant is without sufficient information to form a belief as to the truth or falsity of the allegations in paragraph 45, and therefore denies the same.
46. Counterclaim Defendant denies the allegations in paragraph 46.

FIFTH CAUSE OF ACTION
(Intentional Interference with Prospective Economic Advantage)
(Against all Counterclaim Defendants)

47. Counterclaim Defendant neither admits nor denies the allegations in paragraph 47.
48. Counterclaim Defendant denies the allegations in paragraph 48.
49. Counterclaim Defendant denies the allegations in paragraph 49.
50. Counterclaim Defendant denies the allegations in paragraph 50.

SIXTH CAUSE OF ACTION
(Unjust Enrichment)
(Against all Defendants)

51. Counterclaim Defendant neither admits nor denies the allegations in paragraph 51.
52. Counterclaim Defendant denies the allegations in paragraph 52.
53. Counterclaim Defendant denies the allegations in paragraph 53.
54. Counterclaim Defendant denies the allegations in paragraph 54.

DEMAND FOR JURY TRIAL

Counterclaim Defendant denies that Counterclaimants are entitled to any relief, including without limitation on their First, Second, Third, Fourth, Fifth, Sixth and all other causes of action including the relief sought for in each of the paragraphs in this section.

DATED this 11th day of August, 2011.

PIA ANDERSON DORIUS REYNARD & MOSS

/s/ Joseph Pia
Joseph Pia
Attorneys for Plaintiff

CERTIFICATE OF SERVICE

I hereby certify that on this 11th day of August, 2011, a true and correct copy of forgoing
ANSWER TO COUNTERCLAIM was served by electronic mail on the following:

John A. Snow
Karen E. O'Brien
VAN COTT BAGLEY CORNALL & McCARTHY
jsnow@vancott.com
kobrien@vancott.com

Jonathan M. Levitan
jonathanlevitan@aol.com

Wayne G. Petty
MOYLE & DRAPER, P.C.
wayne@moylelawfirm.com

Marc E. Kasowitz
David J. Shapiro
KASOWITZ, BENSON, TORRES & FRIEDMAN LLP
mkasowitz@kasowitz.com
dshapiro@kasowitz.com

By: /s/ Joseph Pia _____